

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE OF PAGES 1 24		
2. AMENDMENT/MODIFICATION NO. MODIFICATION FX-06		3. EFFECTIVE DATE SEE BLOCK 16C.		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (IF APPLICABLE)	
6. Issued By General Services Administration FSS / IT Acquisition Center (FCI) Crystal Mall #4; Room 1017 1941 Jefferson Davis Highway Arlington, VA 22202		Code		7. ADMINISTERED BY (If other than Item		Code	
8. Name and Address of Contractor (No., street, county, State and ZIP Code				(x)		9A. AMENDMENT OF SOLICITATION NO.	
				X		9B. DATED (SEE ITEM 11)	
						10A. MODIFICATION OF CONTRACT/ORDER NO.	
						10B. DATED (SEE ITEM 13)	
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

<input type="checkbox"/>	The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers	<input type="checkbox"/>	is extended	<input type="checkbox"/>	is not extended.
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Offer's must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO : (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF :
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 2 (TWO) copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The above referenced contract under FSC Group 70, Information Technology Multiple Award Schedule, is hereby modified.

All other Terms and Conditions remain the same, except as indicated below:

(NOTE: By signing this modification, Contractor has agreed to and incorporated by reference all the changes into the contract.)

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED
(Signature of person authorized to sign)			

NOTE: When a current paragraph is updated or changed, the revised/changed text will be underlined to ease review. If a new paragraph is being ADDED or if the current clause is a total replacement, it will not be underlined in its entirety.

1. Paragraph A.3 North American Industrial Classification System (NAICS), CHANGE the site number from (X-FCI-XXX) to (X-FCI-006).

2. Paragraph C.2 Clauses Incorporated by Reference, ADD the following:

52.232-37	Multiple Payment Arrangements	(May 1999)
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3. Paragraph C.3 Contract Terms and Conditions Applicable to GSA Acquisition of Commercial Items, ADD the following:

552.219-71	Notice to Offerors of Subcontracting Plan Requirements	(Sep 1999)
552.229-71	Federal Excise Tax – DC Government	(Sep 1999)
552.232-78	Payment Information	(Jul 2000)

4. DELETE Paragraph C.5 Guaranteed Minimum in its Entirety and REPLACE with the following:

C.5 GUARANTEED MINIMUM (I-FSS-106) (JUL 2003)

The minimum that the Government agrees to order during the period of this contract is \$2,500. If the Contractor receives total orders for less than \$2,500 during the term of the contract, the Government will pay the difference between the amount ordered and \$2,500.

- (a) Payment of any amount due under this clause shall be contingent upon the Contractor's timely submission of GSA Form 72A reports (see GSAR 552.238-74 "Industrial Funding Fee and Sales Reporting") during the period of the contract and receipt of the close-out sales report pursuant to GSAR 552.238-74.
- (b) The guaranteed minimum applies only if the contract expires or contract cancellation is initiated by the Government. The guaranteed minimum does not apply if the contract is terminated for cause or if the contract is canceled at the request of the Contractor.

5. DELETE Paragraph C.6 Ordering in its Entirety and REPLACE with the following:

**C.6 ORDERING (FAR 52.216-18)(OCT 1995)(VARIATION – OCT 1995)
(FCI DEVIATION – MAY 2003)**

- (a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated. Such orders may be issued during the contract terms.
- (b) All delivery orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.
- (c) If mailed, a delivery order or task order is considered "issued" when the ordering activity deposits the order in the mail. Orders may be issued orally or by facsimile, or by electronic commerce methods only if authorized in the contract.

6. DELETE Paragraph C.10 Order Limitations in its Entirety and REPLACE with the following:

**C.10 ORDER LIMITATIONS (FAR 52.216-19)(OCT 1995) (VARIATION I-AUG 1999)
(DEVIATION – SEP 2003)**

- (a) Minimum order. When the ordering activity requires supplies or services covered by this contract in an amount less than \$100, the ordering activity is not obligated to purchase, nor is the Contractor obligated to furnish those supplies or services under the contract. However, offerors may, if willing to accept smaller orders, specify a smaller amount in their offers. If a smaller amount is offered, it is mutually agreed that the Contractor will accept such orders and specify the smaller minimum order limitation in the applicable catalog/pricelist. If the offeror fails to specify a smaller amount, the ordering activity may place orders for a smaller amount. Such orders shall be deemed to be accepted by the Contractor, unless returned to the ordering office within 5 workdays after receipt by the Contractor.
- (b) Maximum order. The Contractor is not obligated to honor any order for a combination of items in excess of:

<u>ITEM NUMBER/SIN</u>	<u>MAXIMUM ORDER</u>
132-3	\$500,000 per order
132-4	\$500,000 per order
132-8	\$500,000 per order
132-12	<u>\$500,000</u> per order
132-32	\$500,000 per order
132-33	\$500,000 per order
<u>132-34</u>	<u>\$500,000 per order</u>
132-50	\$ 25,000 per order
132-51	\$500,000 per order
132-52	\$500,000 per order
132-53	\$500,000 per order

(c) Notwithstanding paragraph (b) above, the Contractor shall honor any order exceeding the maximum orders in paragraph (b), unless that order (or orders) is returned to the ordering office within 5 workdays after receipt, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the ordering activity may acquire the supplies or services from another source.

(d) Notwithstanding paragraph (b) and (c) above, the Contractor shall honor any purchase card orders exceeding the maximum orders in paragraph (b), unless that order (or orders) is returned to the ordering office within 24 hours after receipt, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the ordering activity may acquire the supplies or services from another source.

7. *DELETE Paragraph C.22 in its Entirety and REPLACE with the following:*

C.22 RESERVED

8. *DELETE Paragraph C.23 in its Entirety and Replace with the following: (NOTE: This clause is a total replacement.)*

C.23 INDUSTRIAL FUNDING FEE AND SALES REPORTING (GSAR 552.238-74) (JUL 2003)

(a) Reporting of Federal Supply Schedule Sales. The Contractor shall report all contract sales under this contract as follows:

(1) The Contractor shall accurately report the dollar value, in U.S. dollars and rounded to the nearest whole dollar, of all sales under this contract by calendar quarter (January 1-March 31, April 1-June 30, July 1-September 30, and October 1-December 31). The dollar value of a sale is the price paid by the Schedule user for products and services on a Schedule task or delivery order. The reported contract sales value shall include the Industrial Funding Fee (IFF). The Contractor shall maintain a consistent accounting method of sales reporting, based on the Contractor's established commercial accounting practice. The acceptable points at which sales may be reported include--

- (i) Receipt of order;
- (ii) Shipment or delivery, as applicable;
- (iii) Issuance of an invoice; or
- (iv) Payment.

(2) Contract sales shall be reported to FSS within 30 calendar days following the completion of each reporting quarter. The Contractor shall continue to furnish quarterly reports, including "zero" sales, through physical completion of the last outstanding task order or delivery order of the contract.

(3) Reportable sales under the contract are those resulting from sales of contract items to authorized users unless the purchase was conducted pursuant to a separate contracting authority such as a Governmentwide Acquisition Contract (GWAC); a separately awarded FAR Part 12, FAR Part 13, FAR Part 14, or FAR Part 15 procurement; or a non-FAR contract. Sales made to state and local governments under Cooperative Purchasing authority shall be counted as reportable sales for IFF purposes.

- (4) The Contractor shall electronically report the quarterly dollar value of sales, including “zero” sales, by utilizing the automated reporting system at an Internet website designated by the General Services Administration’s (GSA) Federal Supply Service (FSS). Prior to using this automated system, the Contractor shall complete contract registration with the FSS Vendor Support Center (VSC). The website address, as well as registration instructions and reporting procedures, will be provided at the time of award. The Contractor shall report sales separately for each National Stock Number (NSN), Special Item Number (SIN), or sub-item.
- (5) The Contractor shall convert the total value of sales made in foreign currency to U.S. dollars using the “Treasury Reporting Rates of Exchange” issued by the U.S. Department of Treasury, Financial Management Service. The Contractor shall use the issue of the Treasury report in effect on the last day of the calendar quarter. The report is available from Financial Management Service, International Funds Branch, Telephone: (202) 874-7994, Internet: <http://www.fms.treas.gov/intn.html>.
- (b) The Contractor shall remit the IFF at the rate set by GSA’s FSS.
- (1) The Contractor shall remit the IFF to FSS in U.S. dollars within 30 calendar days after the end of the reporting quarter; final payment shall be remitted within 30 days after physical completion of the last outstanding task order or delivery order of the contract.
- (2) The IFF represents a percentage of the total quarterly sales reported. This percentage is set at the discretion of GSA’s FSS. GSA’s FSS has the unilateral right to change the percentage at any time, but not more than once per year. FSS will provide reasonable notice prior to the effective date of the change. The IFF reimburses FSS for the costs of operating the Federal Supply Schedules Program and recoups its operating costs from ordering activities. Offerors must include the IFF in their prices. The fee is included in the award price(s) and reflected in the total amount charged to ordering activities. FSS will post notice of the current IFF at <http://72a.fss.gsa.gov/> or successor website as appropriate.
- (c) Within 60 days of award an FSS representative will provide the Contractor with specific written procedural instructions on remitting the IFF. FSS reserves the unilateral right to change such instructions from time to time, following notification to the Contractor.
- (d) Failure to remit the full amount of the IFF within 30 calendar days after the end of the applicable reporting period constitutes a contract debt to the United States Government under the terms of FAR Subpart 32.6. The Government may exercise all rights under the Debt Collection Improvement Act of 1996, including withholding or setting off payments and interest on the debt (see FAR clause 52.232-17, Interest). Should the Contractor fail to submit the required sales reports, falsify them, or fail to timely pay the IFF, this is sufficient cause for the Government to terminate the contract for cause.

9. *DELETE Paragraph C.26 Examination of Records by GSA (Multiple Award Schedule) in its Entirety and REPLACE with the following:*

**C.26 EXAMINATION OF RECORDS BY GSA (MULTIPLE AWARD SCHEDULE)
(GSAR 552.215-71) (AUG 1997)**

The Contractor agrees that the Administrator of General Services or any duly authorized representative shall have access to and the right to examine any books, documents, papers and records of the Contractor involving transactions related to this contract for over billings, billing errors, compliance with the Price Reduction clause and compliance with the Industrial Funding Fee and Sales Reporting clause of this contract. This authority shall expire 3

years after final payment. The basic contract and each option shall be treated as separate contracts for purposes of applying this clause.

10. *DELETE Paragraph C.31 Contract Price List in its Entirety and REPLACE with the following:*

C.31 CONTRACT PRICE LISTS (I-FCI-600) (JUL 2002)

(a) Electronic Contract Data.

(1) At the time of award, the Contractor will be provided instructions for submitting electronic contract data in a prescribed electronic format as required by clause 552.238-71, Submission and Distribution of Authorized FSS Schedule Price lists.

(2) The Contractor will have a choice to transmit its file submissions electronically through Electronic Data Interchange (EDI) in accordance with the Federal Implementation Convention (IC) or use the application made available at the time of award. The Contractor's electronic files must be complete; correct; readable; virus-free; and contain only those supplies and services, prices, and terms and conditions that were accepted by the Government. They will be added to GSA's electronic ordering system known as *GSA Advantage!*TM, a menu-driven database system that provides on-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order. The Contractor's electronic files must be received no later than 6 months after award. Contractors should refer to clause I-FSS-597, *GSA Advantage!*TM [SEE C.53] for further information.

(3) Further details on EDI, ICs, and *GSA Advantage!*TM can be found in clause I-FSS-599, Electronic Commerce [SEE C.19].

(4) The Contractor is encouraged to place the GSA identifier (logo) on their web site for those supplies or services covered by this contract. The logo can link to the contractor's Federal Supply Services' price list. The identifier URL is located at fss.gsa.gov/partnership/. All resultant "web price lists" shown on the contractor's web site must be in accordance with section (b) of this clause and nothing other than what was accepted /awarded by the Government may included. If the contractor elects to use contract identifiers on its website (either logos or contract number) the website must be clearly distinguish between those items awarded on the contract and any other items offered by the contractor on an open market basis.

(5) The contractor is responsible for keeping all electronic catalog data up to date; e.g., prices, product deletions and replacements, etc.

(b) Paper Federal Supply Schedule pricelists

(1) The Contractor shall prepare a paper FSS Information Technology Schedule pricelist in accordance with Attachment I, Guidelines For Format and Content of Authorized Federal Supply Service Information Technology Schedule pricelist. Two (2) copies of the FSS Information Technology Schedule pricelist shall be submitted with the Offeror's proposal.

(2) The Contracting Officer will return one copy of the Authorized FSS Information Technology Schedule pricelist to the Contractor with the notification of contract award. In accordance with GSAR clause 552.238-71 (SEE C.30), the Contractor may print and distribute the awarded pricelist without written approval from the Contracting Officer. The pricelist must include all applicable terms and conditions of the cited contract. The Contractor will be responsible for the accuracy of the pricelist.

(3) Modifications to FSS Information Technology Schedule pricelists shall include on the cover page the same information as the basic document plus the title "Modification No." and the effective date(s) of such modifications.

(4) As an option, the Contractor may provide two (2) copies (including cover letter) of the Federal Supply Schedule pricelist to the Contracting Officer for review prior to distribution. Accuracy of information and computation of prices is the responsibility of the Contractor.

(5) Upon contract award and at the time of exercise of an optional period, a list of customer addresses, who are interested in receiving the FSS Information Technology Schedule price list will only be furnished upon request from the Contractor. The list of customer addresses is available in one of the following formats: Please indicate your preference by placing "1" by your first format preference, "2" by the second preference, and "3" by the least preferred format. Contractor preference of format will be honored when available.

_____Cheshire Label
 _____Gummed Label
 _____Diskette-Mailing lists on diskette are available in ASCII and in the following record format only:

Field Name	Field Size
1. Customer ID No.	12
2. Agency Name	35
3. Address Line 1	35
4. Address Line 2	35
5. City	20
6. State	2
7. Zip Code	9

Use of the mailing list for any purpose other than the distribution of the Authorized FSS Information Technology Schedule pricelist is not authorized.

(6) The Contractor may formally print and distribute a Federal Supply Schedule pricelist. Inclusion of incorrect information will cause the Contractor to reprint and redistribute the Federal Supply Schedule pricelist, and may constitute sufficient cause for Cancellation, applying the provisions of 52.212-4, Contract Terms and Conditions (paragraph (m), Termination for Cause) [SEE C.1], and application of any other remedies as provided by law-including monetary recovery.

(7) Distribution to the customer mailing list shall be made as set forth GSAR clause 552.238-71, Submission and Distribution of Authorized FSS Schedule price lists (SEE C.30). In addition, two (2) copies of the Federal Supply Schedule pricelist shall be submitted to the FSS Information Center at the address listed below. The Contractor may also send Federal Supply Schedule price lists to agencies not on the GSA listing when there is reasonable expectation that sales to these agencies will be made.

GSA, Federal Supply Service
 National Customer Service Center (6FR)
 1500 E. Bannister Road, Bldg. #4
 Kansas City, MO 64131-3009
 Telephone: 1(800) 488-3111

11. Paragraph C.36 Logistical Support Privileges, CHANGE the site number from (X-FCI-XXX) to (X-FCI-001).

Underlined Text MAY represent the Updates/Changes to the Clauses.

12. *DELETE Paragraph C.45 Performance Incentives in its Entirety and REPLACE with the following:*

C.45 PERFORMANCE INCENTIVES (I-FSS-60) (APRIL 2000)

(a) Performance incentives may be agreed upon between the Contractor and the ordering office on individual orders or Blanket Purchase Agreements under this contract in accordance with this clause.

(b) The ordering office must establish a maximum performance incentive price for these services and/or total solutions, on individual orders or Blanket Purchase Agreements.

(c) Incentives should be designed to relate results achieved by the contractor to specified targets. To the maximum extent practicable, ordering offices shall consider establishing incentives where performance is critical to the agency's mission and incentives are likely to motivate the contractor. Incentives shall be based on objectively measurable tasks.

13. *DELETE Paragraph C.52 Contractor Team Arrangements in its Entirety and REPLACE with the following:*

C.52 CONTRACTOR TEAM ARRANGEMENTS (I-FSS-40) (JUL 2003)

Contractors participating in contractor team arrangements must abide by all terms and conditions of their respective contracts. This includes compliance with Clauses 552.238-74, Industrial Funding Fee and Sales Reporting, i.e., each contractor (team member) must report sales and remit the IFF for all products and services provided under its individual contract.

14. *DELETE Paragraph C.57 Use of Federal Supply Schedule Contracts by Certain Entities—Cooperative Purchasing in its Entirety and REPLACE with the following:*

**C.57 USE OF FEDERAL SUPPLY SCHEDULE CONTRACTS BY CERTAIN ENTITIES—
COOPERATIVE PURCHASING (GSAR 552.238-79) (MAY 2003)**

(a) If an entity identified in paragraph (b) of the clause at 552.238-78, Eligible Ordering Activities, elects to place an order under this contract, the entity agrees that the order shall be subject to the following conditions:

(1) When the Contractor accepts an order from such an entity, a separate contract is formed which incorporates by reference all the terms and conditions of the Schedule contract except the Disputes clause, the patent indemnity clause, and the portion of the Commercial Item Contract Terms and Conditions that specifies "Compliance with laws unique to Government contracts" (which applies only to contracts with entities of the Executive branch of the U.S. Government). The parties to this new contract which incorporates the terms and conditions of the Schedule contract are the individual ordering activity and the Contractor. The U.S. Government shall not be liable for the performance or nonperformance of the new contract. Disputes which cannot be resolved by the parties to the new contract may be litigated in any State

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or Federal court with jurisdiction over the parties, applying Federal procurement law, including statutes, regulations and case law, and, if pertinent, the Uniform Commercial Code.

To the extent authorized by law, parties to this new contract are encouraged to resolve disputes through Alternative Dispute Resolution.

(2) Where contract clauses refer to action by a Contracting Officer or a Contracting Officer of GSA that shall mean the individual responsible for placing the order for the ordering activity (e.g. FAR 52.212-4 at paragraph (f) and FSS clause I-FSS-249 B.)

(3) As a condition of using this contract, eligible ordering activities agree to abide by all terms and conditions of the Schedule contract, except for those deleted clauses or portions of clauses mentioned in paragraph (a)(1) of this clause. Ordering activities may include terms and conditions required by statute, ordinance, regulation or order as a part of a statement of work (SOW) or statement of objective (SOO) to the extent that these terms and conditions do not conflict with the terms and conditions of the Schedule contract. The ordering activity and the Contractor expressly acknowledge that, in entering into an agreement for the ordering activity to purchase goods or services from the Contractor, neither the ordering activity nor the Contractor will look to, primarily or in any secondary capacity, or file any claim against the United States or any of its agencies with respect to any failure of performance by the other party.

(4) The ordering activity is responsible for all payments due the Contractor under the contract formed by acceptance of the ordering activity's order, without recourse to the agency of the U.S. Government, which awarded the Schedule contract.

(5) The Contractor is encouraged, but not obligated, to accept orders from such entities. The Contractor may, within 5 days of receipt of the order, decline to accept any order, for any reason. The Contractor shall fulfill orders placed by such entities, which are not declined within the 5-day period.

(6) The supplies or services purchased will be used for governmental purposes only and will not be resold for personal use. Disposal of property acquired will be in accordance with the established procedures of the ordering activity for the disposal of personal property.

(b) If the Schedule Contractor accepts an order from an entity identified in paragraph (b) of the clause at 552.238-78, Eligible Ordering Activities, the Contractor agrees to the following conditions:

(1) The ordering activity is responsible for all payments due the Contractor for the contract formed by acceptance of the order, without recourse to the agency of the U.S. Government which awarded the Schedule contract.

(2) The Contractor is encouraged, but not obligated, to accept orders from such entities. The Contractor may, within 5 days of receipt of the order, decline to accept any order, for any reason. The contractor shall decline the order using the same means of communication as those used to place the order. The Contractor shall fulfill orders placed by such entities, which are not declined within the 5-day period.

(c) In accordance with clause 552.238-74 Industrial Funding Fee and Sales Reporting, the Contractor must report the quarterly dollar value of all sales under this contract. When submitting sales reports, the Contractor must report two dollar values for each Special Item Number: (1) the dollar value for sales to entities identified in paragraph (a) of the clause at 552.238-78, Scope of Contract (Eligible Ordering Activities), and (2) the dollar value for sales to entities identified in paragraph (b) of clause 552.238-78.

15. ADD the following clauses to the END of Section C.**C.59 RE-REPRESENTATION OF SIZE STATUS FOR OPTION PERIODS (I-FSS-95) (JUN 2003)**

For certain requirements, the Government enters into contracts with multiple contractors for the same or similar services or products. Such contracts frequently contain options that allow the contract to be extended when it is determined to be in the best interest of the Government. Contract extensions may have an impact on the program established by the Government to assist small businesses when there is a change in the status of the Contractor during the contract term.

Prior to the time the Contracting Officer exercises an option, the Contractor will be required to re-represent business size status and 8(a) program eligibility to the Contracting Officer by completing the applicable portion of 52.212-3, Offeror Representations and Certification—Commercial Items, or 52.219-1, Small Business Program Representations, as applicable to this contract.

(a) When the contract did not result from a small business set-aside:

If a previously awarded small business concern re-represents itself as other than small, an acceptable subcontracting plan must be negotiated with the Contracting Officer if the value of the remainder of the contract option periods exceeds the threshold for a subcontracting plan.

(b) When the contract resulted from a small business set-aside:

If a previously awarded small business concern re-represents itself as other than small, the Contracting Officer shall be precluded from exercising the option.

(c) When the contract resulted from an 8(a) set-aside:

If a previously awarded 8(a) small business concern re-represents itself as other than 8(a), the Contracting Officer shall be precluded from exercising the option.

C.60 DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM REQUIREMENTS (GSAR 552.211-15) (MAR 2003)

(a) Definitions.

“Approved Program” means a program determined to be necessary or appropriate for priorities and allocations support to promote the national defense (see Schedule 1 of 15 CFR 700 for a list of Delegate Agencies, approved programs, and program identification symbols.)

“Delegate Agency” means an agency of the U.S. Government authorized by delegation from the Department of Commerce (DOC) to place priority ratings on contracts or orders needed to support approved programs.

“Defense Priorities and Allocations System (DPAS)” means the regulation published at 15 CFR 700 that requires preferential treatment for certain contracts and orders placed by a Delegate Agency in support of an approved program.

“Rated Order” means, for the purpose of this contract, a delivery or task order placed by a Delegate Agency under the provisions of the DPAS in support of an approved program and which requires preferential treatment as necessary to meet delivery requirements. This includes orders placed by the Contractor to subcontractors or suppliers for required products, materials, and services resulting from such orders.

(b) Rated Order Requirement.

From time to time, the Contractor may receive a rated order under this contract from a Delegate Agency. The Contractor must give preferential treatment to rated orders as required by the Defense Priorities and Allocations System (DPAS) regulation (15 CFR 700). The existence of previously accepted unrated or lower rated orders is not sufficient reason to reject a rated order. Rated orders take preference over all unrated orders as necessary to meet required delivery dates. There are two levels of ratings designated by the symbol of either "DO" or "DX." All "DO" rated orders have equal priority with each other and take preference over unrated orders. All "DX" rated orders take preference over "DO" rated orders and unrated orders. The rating designation is followed by a program identification symbol. Program identification symbols indicate which approved program is supported by the rated order (see Schedule 1 of 15 CFR 700 for a list of Delegate Agencies, approved programs, and program identification symbols).

(c) Additional information.

Additional information may be obtained at the DOC DPAS web site
<http://www.bxa.doc.gov/DefenseIndustrialBasePrograms/OSIES/DPAS/Default.htm> or by contacting the designated Administrative Contracting Officer.

16. *DELETE Paragraph D.1 Contract Terms and Conditions Required to Implement Statutes or Executive Orders—Commercial Items in its Entirety and REPLACE with the following:*

D.1 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS-COMMERCIAL ITEMS (FAR 52.212-5) (JUN 2003) (TAILORED)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clause, which is incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

- (1) 52.233-3, Protest After Award (31 U.S.C. 3553).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

- (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (JUL 1995), with Alternate I (OCT 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).
- (2) 52.219-8, Utilization of Small Business Concerns (OCT 2000) (15 U.S.C. 637 (d)(2) and (3)).
- (3) 52.219-9, Small Business Subcontracting Plan (JAN 2002) (15 U.S.C. 637 (d)(4)).
- (4) 52.219-14, Limitation on Subcontracting (DEC 1996) (15 U.S.C. 637 (a)(14)).
NOTE: This clause only applies to contracts that are awarded to and under the 8(a) program.
- (5) 52.222-3, Convict Labor (JUN 2003) (E.O. 11755)
- (6) 52.222-21, Prohibition of Segregated Facilities (FEB 1999).
- (7) 52.222-26, Equal Opportunity (APR 2002) (E.O. 11246).

Underlined Text MAY represent the Updates/Changes to the Clauses.

- (8) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (DEC 2001) (38 U.S.C. 4212).
 - (9) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).
 - (10) 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (DEC 2001) (38 U.S.C. 4212).
 - (11) 52.225-13, Restriction on Certain Foreign Purchases (JUN 2003) (E.O. 12722, 12724, 13059, 13067, 13121, and 13129).
 - (12) 52.232-33, Payment by Electronic Funds Transfer-Central Contractor Registration (MAY 1999) (31 U.S.C. 3332).
 - (13) 52.232-36, Payment by Third Party (MAY 1999) (31 U.S.C. 3332).
 - (14) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).
 - (15) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (APR 2003) (46 U.S.C. 1241) Alternate I (APR 1984)
- (c) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (c) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records-Negotiation.
- (1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.
 - (2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.
 - (3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.
- (d) (1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), or (c) of this clause, the Contractor is not required to include any FAR clause, other than those in paragraphs (i) through (vi) of this paragraph is a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause –
- (i) 52.219-8, Utilization of Small Business Concerns (OCT 2000) (15 U.S.C. 637 (d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.
 - (ii) 52.222-26, Equal Opportunity (APR 2002) (E.O. 11246);
- Underlined Text MAY represent the Updates/Changes to the Clauses.

(iii) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (DEC 2001) (38 U.S.C. 4212);

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793);

(v) 52.222-41, Service Contract Act of 1965, as amended (MAY 1989), flow down required for all subcontracts subject to the Service Contract Act of 1965 (41 U.S.C. 351, et seq.); and

(vi) 52.247-64, Preference for Privately Owned U.S.-Flagged Commercial Vessels (APR 2003) (46 U.S.C. 1241 and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

17. *DELETE Paragraph E.4 Submission of Offers—Additional Information in its Entirety and REPLACE with the following:*

E.4 SUBMISSION OF OFFERS-ADDITIONAL INSTRUCTIONS (CI-FCI-2) (SEP 2003)

Offerors are requested to submit, in a minimum font size of 10 cpi (characters per inch):

(a) A signed original and one (1) copy of SF-1449 together with all addenda and attachments complete in every respect with the exception of oversized blueprints, drawings, or similar documents attached to the solicitation. Oversized blueprints, drawings, or similar documents are not required to be duplicated for the purpose of submitting a duplicate copy of the offer to GSA. Offers must be submit a complete proposal; proposals that are not substantially complete will be returned. The Checklist Guideline, Attachment IV, outlines the elements required for an offer to meet the threshold of substantial completeness.

(b) Two complete copies of the proposed FSS Information Technology Schedule Pricelist, including all applicable Terms and Conditions. (See Attachment I for format and content of proposed pricelist.)

(c) If the Offeror is other than the manufacturer, (1) one signed copy of a letter of commitment from the manufacturer which will assure the Offeror of a source of supply sufficient to satisfy the Government's requirements for the contract period, OR (2) other evidence that the Offeror will have an uninterrupted source of supply from which to satisfy the Government's requirements for the contract period. [SEE F.3]

(d) One copy of a plan indicating how the Offeror intends to perform the sales and after sales maintenance service within the minimum geographic scope of the solicitation (SEE C.4). For SIN 132-53 ONLY, provide an acceptance test plan and procedure for approval.

(e) A completed copy of the past performance evaluation form sent, by the Offeror, to Dun & Bradstreet c/o Open Ratings. [SEE ATTACHMENT II]

(f) Identification of and rationale for any and all exceptions and clarifications taken from either the solicitation or the standard format for the FSS Information Technology Schedule Pricelist (SEE ATTACHMENT I).

(g) Small Business Subcontracting Plan, if applicable. [SEE ATTACHMENT III, GUIDELINES TO CREATE A SMALL BUSINESS SUBCONTRACTING PLAN.]

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18. Paragraph E.9 Energy Efficient Product Requirements, CHANGE the site number from (X-FCI-XXX) to (X-FCI-002).

19. Paragraph F.2 Past Performance, CHANGE the site number from (X-FCI-XXX) to (X-FCI-003).

20. Paragraph F.4 Sales and Service Requirement, CHANGE the site number from (X-FCI-XXX) to (X-FCI-004).

21. Paragraph F.5 Information Technology (IT) Professional Service—Past Performance Responsibility Determination, CHANGE the site number from (X-FCI-XXX) to (X-FCI-005).

22. DELETE Paragraph G.2 Trade Agreements in its Entirety and REPLACE with the following:

G.2 TRADE AGREEMENTS (FAR 52.225-5) (JUN 2003)

(a) Definitions. As used in this clause.

Caribbean Basin country means any of the following countries: Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, British Virgin Islands, Costa Rica, Dominica, El Salvador, Grenada, Guatemala, Guyana, Haiti, Jamaica, Montserrat, Netherlands Antilles, Nicaragua, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago.

Caribbean Basin country end product

Means an article that--

(i)(A) Is wholly the growth, product, or manufacture of a Caribbean Basin country; or

(B) In the case of an article that consists in whole or in part of materials from another country, has been substantially transformed in a Caribbean Basin country into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was transformed; and

Is not excluded from duty-free treatment for Caribbean countries under 19 U.S.C. 2703(b).

(A) For this reason, the following articles are not Caribbean Basin country end products:
Tuna, prepared or preserved in any manner in airtight containers;
Petroleum, or any product derived from petroleum;
Watches and watch parts (including cases, bracelets, and straps) of whatever type including, but not limited to, mechanical, quartz digital, or quartz analog, if such watches

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or watch parts contain any material that is the product of any country to which the Harmonized Tariff Schedule of the United States (HTSUS) column 2 rates of duty apply (i.e. Afghanistan, Cuba, Laos, North Korea, and Vietnam); and

Certain of the following: textiles and apparel articles; footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel; or handloomed, handmade, and folklore articles;

(B) Access to the HTSUS to determine duty-free status of articles of these types is available at <http://www.customs.ustreas.gov/impexpo/impexpo.htm>. In particular, see the following:

General Note 3(c), Products Eligible for Special Tariff treatment.

General Note 17, Products of Countries Designated as Beneficiary Countries under the United States—Caribbean Basin Trade Partnership Act of 2000.

Section XXII, Chapter 98, Subchapter II, Articles Exported and Returned, Advanced or Improved Abroad, U.S. Note 7(b).

Section XXII, Chapter 98, Subchapter XX, Goods Eligible for Special Tariff Benefits under the United States—Caribbean Basin Trade Partnership Act; and

Refers to a product offered for purchase under a supply contract, but for purposes of calculating the value of the acquisition, includes services (except transportation services) incidental to the article, provided that the value of those incidental services does not exceed that of the article itself.

Designated country means any of the following countries:

Aruba	Austria	Bangladesh
Belgium	Benin	Bhutan
Botswana	Burkina Faso	Burundi
Canada	Cape Verde	Central African Republic
Chad	Comoros	Denmark
Djibouti	Equatorial Guinea	Finland
France	Gambia	Germany
Greece	Guinea	Guinea-Bissau
Haiti	Hong Kong	<u>Iceland</u>
Ireland	Israel	Italy
Japan	Kiribati	Korea
Republic of Lesotho	Liechtenstein	Luxembourg
Malawi	Maldives	Mali
Mozambique	Napal	Netherlands
Niger	Norway	Portugal
Rwanda	Sao Tome and Principe	Sierra Leone
Singapore	Somalia	Spain
Sweden	Switzerland	Tanzania U.R.
Togo	Tuvalu	Uganda
United Kingdom	Vanuatu	Western Samoa
Yemen		

"Designated country end product" means an article that--

- (1) Is wholly the growth, product, or manufacture of a designated country; or
- (2) In the case of an article that consists in whole or in part of materials from another country, has been substantially transformed in a designated country into a new and different article of commerce with a

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name, character, or use distinct from that of the article or articles from which it was transformed. The term refers to a product offered for purchase under a supply contract, but for purposes of calculating the value of the end product includes services (except transportation services) incidental to the article, provided that the value of those incidental services does not exceed that of the article itself.

"End product" means those articles, materials, and supplies to be acquired under the contract for public use.

"North American Free Trade Agreement country" means Canada or Mexico.

"North American Free Trade Agreement country end product" means an article that--

- (1) Is wholly the growth, product, or manufacture of a North American Free Trade Agreement (NAFTA) country; or
- (2) In the case of an article that consists in whole or in part of materials from another country, has been substantially transformed in a NAFTA country into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was transformed. The term refers to a product offered for purchase under a supply contract, but for purposes of calculating the value of the end product includes services (except transportation services) incidental to the article, provided that the value of those incidental services does not exceed that of the article itself.

"United States" means the 50 States and the District of Columbia, and outlying areas.

"U.S.-made end product" means an article that is mined, produced, or manufactured in the United States or that is substantially transformed in the United States into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was transformed.

(b) *Implementation.* This clause implements the Trade Agreements Act (19 U.S.C. 2501, et seq.) and the North American Free Trade Agreement Implementation Act of 1993 (NAFTA) (19 U.S.C. 3301 note), by restricting the acquisition of end products that are not U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products.

(c) *Delivery of end products.* The Contracting Officer has determined that the Trade Agreements Act and NAFTA apply to this acquisition. Unless otherwise specified, these trade agreements apply to all items in the Schedule. The Contractor shall deliver under this contract only U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products except to the extent that, in its offer, it specified delivery of other end products in the provision entitled "Trade Agreements Certificate."

23. *DELETE Paragraph G.6 Contact for Contract Administration in its Entirety and REPLACE with the following:*

G.6 CONTACT FOR CONTRACT ADMINISTRATION (G-FSS-900-C) (JUL 2003)

Offerors should complete paragraphs (a) and (b) if providing both domestic and overseas delivery. Complete paragraph (a) if providing domestic delivery only. Complete paragraph (b) if providing overseas delivery only.

The Contractor shall designate a person to serve as the contract administrator for the contract both domestically and overseas. The contract administrator is responsible for overall compliance with contract terms and conditions. The contract administrator is also the responsible official for issues concerning 552.238-74 Industrial Funding Fee and Sales Reporting, including reviews of contractor records. The Contractor's designation of representatives to handle certain functions under this contract does not relieve the contract administrator of responsibility for contract

compliance. Any changes to the designated individual must be provided to the Contracting Officer in writing, with the proposed effective date of the change.

(a) Domestic.

NAME: _____

TITLE: _____

ADDRESS: _____

_____ ZIP CODE: _____

TELEPHONE NO.: () _____ FAX NO.: () _____

E-MAIL ADDRESS: _____

(b) Overseas. Overseas contact points are mandatory for local assistance with the resolution of any delivery, performance, or quality complaint from customer agencies. (Also, see the requirement in I-FSS-594, Parts and Service.) At a minimum, a contact point must be furnished for each area in which deliveries are contemplated, e.g., Europe, South America, Far East, etc.

NAME: _____

TITLE: _____

ADDRESS: _____

_____ ZIP CODE: _____

TELEPHONE NO.: () _____ FAX NO.: () _____

E-MAIL ADDRESS: _____

24. DELETE Paragraph G.13 Compliance with Veterans Employment Reporting Requirements in its Entirety and REPLACE with the following: (NOTE: This clause is a total replacement.)

**G.13 COMPLIANCE WITH VETERANS EMPLOYMENT REPORTING REQUIREMENTS
(FAR 52.222-38) (DEC 2001)**

By submission of its offer, the offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (i.e., if it has any contract containing Federal Acquisition Regulation clause 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans), it has submitted the most recent VETS-100 Report required by that clause.

25. ATTACHMENT I – Guidelines for Format and Content of Federal Supply Service Information Technology Schedule Price List; make the following changes, as indicated below:

A. SECTION TITLED “INFORMATION FOR ORDERING OFFICES:”

1. DELETE Paragraph 11. Maximum Order in its Entirety and REPLACE with the following:

11. Maximum Order (All dollar amounts are exclusive of any discount for prompt payment.)

a. The Maximum Order value for the following Special Item Numbers (SINs) is \$500,000:

Special Item Number 132-3 - Leasing of Product

Special Item Number 132-4 – Daily / Short Term Rental

Special Item Number 132-8 - Purchase of Equipment

Special Item Number 132-12 – Maintenance of Equipment

Special Item Number 132-32 - Term Software Licenses

Special Item Number 132-33 - Perpetual Software Licenses

Special Item Number 132-34 – Maintenance of Software

Special Item Number 132-51 - Information Technology (IT) Professional Services

Special Item Number 132-52 - Electronic Commerce (EC) Services

Special Item Number 132-53 – Wireless Services

b. The Maximum Order value for the following Special Item Numbers (SINs) is \$25,000:

Special Item Number 132-50 - Training Courses

2. DELETE Paragraph 14. Security Requirements in its Entirety and REPLACE with the following: (NOTE: this clause is a total replacement.)

14. CONTRACTOR TASKS / SPECIAL REQUIREMENTS (C-FSS-370) (NOV 2001)

(a) Security Clearances: The Contractor may be required to obtain/possess varying levels of security clearances in the performance of orders issued under this contract. All costs associated with obtaining/possessing such security clearances should be factored into the price offered under the Multiple Award Schedule.

(b) Travel: The Contractor may be required to travel in performance of orders issued under this contract. Allowable travel and per diem charges are governed by Pub .L. 99-234 and FAR Part 31, and are reimbursable by the ordering agency or can be priced as a fixed price item on orders placed under the Multiple Award Schedule. The Industrial Funding Fee does NOT apply to travel and per diem charges.

(c) Certifications, Licenses and Accreditations: As a commercial practice, the Contractor may be required to obtain/possess any variety of certifications, licenses and accreditations for specific FSC/service code classifications offered. All costs associated with obtaining/ possessing such certifications, licenses and accreditations should be factored into the price offered under the Multiple Award Schedule program.

(d) Insurance: As a commercial practice, the Contractor may be required to obtain/possess insurance coverage for specific FSC/service code classifications offered. All costs associated with obtaining/possessing such insurance should be factored into the price offered under the Multiple Award Schedule program.

(e) Personnel: The Contractor may be required to provide key personnel, resumes or skill category descriptions in the performance of orders issued under this contract. Ordering activities may require agency approval of additions or replacements to key personnel.

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- (f) **Organizational Conflicts of Interest:** Where there may be an organizational conflict of interest as determined by the ordering agency, the Contractor's participation in such order may be restricted in accordance with FAR Part 9.5.
- (g) **Documentation/Standards:** The Contractor may be requested to provide products or services in accordance with rules, regulations, OMB orders, standards and documentation as specified by the agency's order.
- (h) **Data/Deliverable Requirements:** Any required data/deliverables at the ordering level will be as specified or negotiated in the agency's order.
- (i) **Government-Furnished Property:** As specified by the agency's order, the Government may provide property, equipment, materials or resources as necessary.
- (j) **Availability of Funds:** Many Government agencies' operating funds are appropriated for a specific fiscal year. Funds may not be presently available for any orders placed under the contract or any option year. The Government's obligation on orders placed under this contract is contingent upon the availability of appropriated funds from which payment for ordering purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are available to the ordering Contracting Officer.

3. ADD the following paragraph at the End of the Section Titled "Information for Ordering Offices." (NOTE: This clause is a total replacement.)

25. INSURANCE—WORK ON A GOVERNMENT INSTALLATION (JAN 1997)(FAR 52.228-5)

- (a) The Contractor shall, at its own expense, provide and maintain during the entire performance of this contract, at least the kinds and minimum amounts of insurance required in the Schedule or elsewhere in the contract.
- (b) Before commencing work under this contract, the Contractor shall notify the Contracting Officer in writing that the required insurance has been obtained. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the Government's interest shall not be effective—
- (1) For such period as the laws of the State in which this contract is to be performed prescribe; or
 - (2) Until 30 days after the insurer or the Contractor gives written notice to the Contracting Officer, whichever period is longer.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in subcontracts under this contract that require work on a Government installation and shall require subcontractors to provide and maintain the insurance required in the Schedule or elsewhere in the contract. The Contractor shall maintain a copy of all subcontractors' proofs of required insurance, and shall make copies available to the Contracting Officer upon request.

B. AT THE END FOR THE SECTION TITLED "TERMS AND CONDITIONS APPLICABLE TO LEASING OF GENERAL PURPOSE COMMERCIAL INFORMATION TECHNOLOGY PRODUCTS (SPECIAL ITEM NUMBER 132-3)," ADD THE FOLLOWING: (NOTE: THIS CLAUSE IS A TOTAL REPLACEMENT.)

12. OPTION TO PURCHASE EQUIPMENT (FEB 1995) (FAR 52.207-5)

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- (a) The Government may purchase the equipment provided on a lease or rental basis under this contract. The Contracting Officer may exercise this option only by providing a unilateral modification to the Contractor. The effective date of the purchase will be specified in the unilateral modification and may be any time during the period of the contract, including any extensions thereto.
- (b) Except for final payment and transfer of title to the Government, the lease or rental portion of the contract becomes complete and lease or rental charges shall be discontinued on the day immediately preceding the effective date of purchase specified in the unilateral modification required in paragraph (a) of this clause.
- (c) The purchase conversion cost of the equipment shall be computed as of the effective date specified in the unilateral modification required in paragraph (a) of this clause, on the basis of the purchase price set forth in the contract, minus the total purchase option credits accumulated during the period of lease or rental, calculated by the formula contained elsewhere in this contract.
- (d) The accumulated purchase option credits available to determine the purchase conversion cost will also include any credits accrued during a period of lease or rental of the equipment under any previous Government contract if the equipment has been on continuous lease or rental. The movement of equipment from one site to another site shall be "continuous rental."

C. IN THE SECTION ENTITLED "TERMS AND CONDITIONS APPLICABLE TO INFORMATION TECHNOLOGY (IT) PROFESSIONAL SERVICES (SPECIAL ITEM NUMBER 132-51) AND ELECTRONIC COMMERCE (EC) SERVICES (SPECIAL ITEM NUMBER 132-52); MAKE THE CHANGES AS INDICATED BELOW:

1. DELETE Paragraph 2. Performance Incentives in its Entirety and REPLACE with the following:

2. PERFORMANCE INCENTIVES

- a. Performance incentives may be agreed upon between the Contractor and the ordering activity on individual fixed price orders or Blanket Purchase Agreements under this contract in accordance with this clause.
- b. The ordering activity must establish a maximum performance incentive price for these services and/or total solutions on individual orders or Blanket Purchase Agreements.
- c. Incentives should be designed to relate results achieved by the contractor to specified targets. To the maximum extent practicable, ordering activities shall consider establishing incentives where performance is critical to the ordering activity's mission and incentives are likely to motivate the contractor. Incentives shall be based on objectively measurable tasks.

2. DELETE Paragraph 3. Ordering Procedures for Services (Requiring a Statement of Work in its Entirety and REPLACE with the following:

**3. ORDERING PROCEDURES FOR SERVICES (REQUIRING A STATEMENT OF WORK)
(G-FCI-920) (MAR 2003)**

FAR 8.402 contemplates that GSA may occasionally find it necessary to establish special ordering procedures for individual Federal Supply Schedules or for some Special Item Numbers (SINs) within a Schedule. GSA has established special ordering procedures for services that require a Statement of Work. These special ordering procedures take precedence over the procedures in FAR 8.404 (b)(2) through (b)(3).

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When ordering services over \$100,000, Department of Defense (DOD) ordering offices and non-DOD agencies placing orders on behalf of the DOD must follow the policies and procedures in the Defense Federal Acquisition Regulation Supplement (DFARS) 208.404-70 – Additional ordering procedures for services. When DFARS 208.404-70 is applicable and there is a conflict between the ordering procedures contained in this clause and the additional ordering procedures for services in DFARS 208.404-70, the DFARS procedures take precedence.

GSA has determined that the prices for services contained in the contractor's price list applicable to this Schedule are fair and reasonable. However, the ordering activity using this contract is responsible for considering the level of effort and mix of labor proposed to perform a specific task being ordered and for making a determination that the total firm-fixed price or ceiling price is fair and reasonable.

(a) When ordering services, ordering activities shall—

(1) Prepare a Request (Request for Quote or other communication tool):

(i) A statement of work (a performance-based statement of work is preferred) that outlines, at a minimum, the work to be performed, location of work, period of performance, deliverable schedule, applicable standards, acceptance criteria, and any special requirements (i.e., security clearances, travel, special knowledge, etc.) should be prepared.

(ii) The request should include the statement of work and request the contractors to submit either a firm-fixed price or a ceiling price to provide the services outlined in the statement of work. A firm-fixed price order shall be requested, unless the ordering activity makes a determination that it is not possible at the time of placing the order to estimate accurately the extent or duration of the work or to anticipate cost with any reasonable degree of confidence. When such a determination is made, a labor hour or time-and-materials proposal may be requested. The firm-fixed price shall be based on the rates in the schedule contract and shall consider the mix of labor categories and level of effort required to perform the services described in the statement of work. The firm-fixed price of the order should also include any travel costs or other incidental costs related to performance of the services ordered, unless the order provides for reimbursement of travel costs at the rates provided in the Federal Travel or Joint Travel Regulations. A ceiling price must be established for labor-hour and time-and-materials orders.

(iii) The request may ask the contractors, if necessary or appropriate, to submit a project plan for performing the task, and information on the contractor's experience and/or past performance performing similar tasks.

(iv) The request shall notify the contractors what basis will be used for selecting the contractor to receive the order. The notice shall include the basis for determining whether the contractors are technically qualified and provide an explanation regarding the intended use of any experience and/or past performance information in determining technical qualification of responses. If consideration will be limited to schedule contractors who are small business concerns as permitted by paragraph (2) below, the request shall notify the contractors that will be the case.

(2) Transmit the Request to Contractors:

Based upon an initial evaluation of catalogs and price lists, the ordering activity should identify the contractors that appear to offer the best value (considering the scope of services offered, pricing and other factors such as contractors' locations, as appropriate) and transmit the request as follows:

NOTE: When buying IT professional services under SIN 132—51 ONLY, the ordering office, at its discretion, may limit consideration to those schedule contractors that are small business concerns. This limitation is not applicable when buying supplies and/or services under other SINs as well as SIN 132-51. The limitation may only be used when at least three (3) small businesses that appear to offer services that will meet the agency's needs are available, if the order is estimated to exceed the micro-purchase threshold.

- (i) The request should be provided to at least three (3) contractors if the proposed order is estimated to exceed the micro-purchase threshold, but not exceed the maximum order threshold.
- (ii) For proposed orders exceeding the maximum order threshold, the request should be provided to additional contractors that offer services that will meet the ordering activity's needs.
- (iii) In addition, the request shall be provided to any contractor who specifically requests a copy of the request for the proposed order.
- (iv) Ordering activities should strive to minimize the contractors' costs associated with responding to requests for quotes for specific orders. Requests should be tailored to the minimum level necessary for adequate evaluation and selection for order placement. Oral presentations should be considered, when possible.

(3) Evaluate Responses and Select the Contractor to Receive the Order:

After responses have been evaluated against the factors identified in the request, the order should be placed with the schedule contractor that represents the best value. (See FAR 8.404)

(b) The establishment of Federal Supply Schedule Blanket Purchase Agreements (BPAs) for recurring services is permitted when the procedures outlined herein are followed. All BPAs for services must define the services that may be ordered under the BPA, along with delivery or performance time frames, billing procedures, etc. The potential volume of orders under BPAs, regardless of the size of individual orders, may offer the ordering activity the opportunity to secure volume discounts. When establishing BPAs, ordering activities shall—

(1) Inform contractors in the request (based on the ordering activity's requirement) if a single BPA or multiple BPAs will be established, and indicate the basis that will be used for selecting the contractors to be awarded the BPAs.

(i) SINGLE BPA: Generally, a single BPA should be established when the ordering activity can define the tasks to be ordered under the BPA and establish a firm-fixed price or ceiling price for individual tasks or services to be ordered. When this occurs, authorized users may place the order directly under the established BPA when the need for service arises. The schedule contractor that represents the best value should be awarded the BPA. (See FAR 8.404)

(ii) MULTIPLE BPAs: When the ordering activity determines multiple BPAs are needed to meet its requirements, the ordering activity should determine which contractors can meet any technical qualifications before establishing the BPAs. When establishing the BPAs, the procedures in (a)(2) above must be followed. The procedures at (a)(2) do not apply to orders issued under multiple BPAs. Authorized users must transmit the request for quote for an order to all BPA holders and then place the order with the Schedule contractor that represents the best value.

(2) Review BPAs Periodically: Such reviews shall be conducted at least annually. The purpose of the review is to determine whether the BPA still represents the best value. (See FAR 8.404)

(c) The ordering activity should give preference to small business concerns when two or more contractors can provide the services at the same firm-fixed price or ceiling price.

(d) When the ordering activity's requirement involves both products as well as executive, administrative and/or professional, services, the ordering activity should total the prices for the products and the firm-fixed price for the services and select the contractor that represents the best value. (See FAR 8.404)

(e) The ordering activity, at a minimum, should document orders by identifying the contractor from which the services were purchased, the services purchased, and the amount paid. If other than a firm-fixed price order is placed, such documentation should include the basis for the determination to use a labor-hour or time-and-materials order. For ordering activity requirements in excess of the micro-purchase threshold, the order file should document the evaluation of Schedule contractors' quotes that formed the basis for the selection of the contractor that received the order and the rationale for any trade-offs made in making the selection.

3. DELETE Paragraph 12. Payments in its Entirety and REPLACE with the following:

12. PAYMENTS

For firm-fixed price orders the ordering activity shall pay the Contractor, upon submission of proper invoices or vouchers, the prices stipulated in this contract for service rendered and accepted. Progress payments shall be made only when authorized by the order. For time-and-materials orders, the Payments under Time-and-Materials and Labor-Hour Contracts at FAR 52.232-7 (DEC 2002), Alternate I (APR 1984) applies to time-and-materials orders placed under this contract. For labor-hour orders, the Payment under Time-and-Materials and Labor-Hour Contracts at FAR 52.232-7 (DEC 2002), Alternate II (DEC 2002) applies to labor-hour orders placed under this contract.